



**WISCONSIN DEPARTMENT OF
ADMINISTRATION**

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To: Affected Agency Heads

From: Michael L. Morgan *MLM*
Secretary

Subject: Measures to Address Projected FY09 Deficit

As I reported last month to the Governor and Legislature, worsening economic conditions are forecast to create a general fund deficit of at least \$386 million in the current fiscal year (fiscal year 2008-09). Closing this deficit will require reductions in appropriations, including those for state operations and grant programs.

Affected agencies and associated grants under consideration for reduction are listed below. Reductions could range from 10 percent of the appropriation to the entire remaining unallocated amount. Estimated savings from these reductions is approximately \$25 million by the end of the current fiscal year.

These reductions will not be easy to make and come at the halfway point of the fiscal year. In order to provide as much lead time to plan, state agencies should notify current and potential grant recipients of these potential reductions.

For further information, please contact your assigned state budget analyst.

Agriculture, Trade and Consumer Protection

1. Aids to county and district fairs
2. Agricultural investment aids
3. Soil and water resource management aids
4. Grazing lands conservation
5. Grants for agriculture in the classroom
6. Clean sweep grants

Commerce

1. Minority business projects; grants, loans and repayments
2. Community-based economic development programs
3. Rural economic development program; grants, loans and repayments
4. Construction career academy grant
5. Manufactured housing rehabilitation and recycling
6. Gaming economic development and diversification
7. Energy independence grants

8. Brownfields grants
9. Diesel truck idling reduction grants
10. Petroleum storage environmental remedial action awards

Governor's Office

1. Literacy improvement aids

Health Services

1. Statewide poison control program
2. Clinic aids
3. Nursing home capital incentive grants
4. Tobacco use control grants
5. Radon aids
6. Cancer control and prevention grants
7. Grants for community programs
8. Community support programs and psychosocial services
9. Compulsive gambling awareness campaigns

Natural Resources

1. Local water quality planning aids
2. Nonpoint source grants
3. Groundwater mitigation and local assistance
4. Compensation for well contamination and abandonment
5. Urban nonpoint source grants
6. Brownfields green space grants
7. Recycling grants to municipalities
8. Brownfields site assessment grants
9. River protection grants
10. Waste reduction and recycling grants

Public Service Commission

1. Universal telecommunications service grants

Transportation

1. Transportation facilities economic assistance and development
2. Soo Locks improvements

University of Wisconsin System

1. Farm safety program
2. Area health education centers
3. Wisconsin humanities council
4. Discovery farms

Wisconsin Technical College System

1. School-to-work programs for children-at-risk
2. Vocational education instructor occupational competency program
3. Minority student participation and retention grants
4. Chauffeur training grants
5. Driver education
6. Faculty development grants
7. Supplemental aid
8. Incentive grants
9. Health care education programs
10. Displaced homemakers' program
11. Work-based learning programs
12. Truck driver training